

Minutes of the Regular Meeting of the Mayor and Council of the City of South Tucson, Arizona, held Monday, October 24, 2016, at 6:00 p.m. at the City of South Tucson Council Chambers, 1601 South 6th Avenue, South Tucson, Arizona.

Council Present: Miguel Rojas
Oscar Patino
Idelfonso Green
Robert Larribas
Herman Lopez
Vanessa Mendoza

Staff Present: Veronica Moreno, Interim City Manager
Lourdes Aguirre, Finance Director
Michael Ford, Police Chief
Marilyn Chico, Housing Director
Mark Raven, City Attorney

Mayor Rojas called the meeting to order at 6:03 p.m., and led the Pledge of Allegiance. Councilman Lopez led the Invocation.

ITEM #04 – ROLL CALL – All members of the Council were present, except for Councilwoman Romero, who was excused.

ITEM #05 – CALL TO THE AUDIENCE

No response from the audience.

ITEM #06 – APPROVAL OF MINUTES – None available.

ITEM #07 – RESOLUTION NO. 16-43 OF THE MAYOR AND COUNCIL OF THE CITY OF SOUTH TUCSON, ARIZONA, APPROVING THE ACQUISITION AGREEMENT BETWEEN THE CITY OF SOUTH TUCSON AND THE PIMA COUNTY FREE LIBRARY DISTRICT

Ms. Moreno: Thank you, Mayor, members of the Council. It's been quite some time now that we have been discussing this item, going back to March, as far back as I can recall where the City found itself in a position where we had to bring to Mayor and Council some options as to how we could balance this year's budget. And one of the options that actually was offered by Pima County was the offer to sell them the library, which is actually the space that the City of South Tucson owned, known as the library. Sometimes it gets confusing. I happened to say the library, but actually the City owns the building and it's occupied by Pima County, which is the Sam Lena Library. So, between now and March, Mayor and Council have directed staff to move forward with the transaction, which is an overall value of \$450,000. So, it required us to have meetings with the Municipal Property Corporation and prepare documents with, along with our City Attorney and Pima County's legal staff to allow the transaction to take place. And we've met with the Municipal Property Corporation and moved forward with all the recommendations by Mayor and Council, and they just approved their

portion of the overall agreement. And now is the time for Mayor and Council to approve the total arrangement with both the City of South Tucson and Pima County, again, for the sale of the property known as the Sam Lena Library, which, again, it's a value of \$450,000, which will actually be a line of credit given to the City of South Tucson to go towards the jail debt and Pima County Animal Control.

Mayor Rojas: Thank you very much. What are the wishes of the Council on Item #07?

Vice-Mayor Patino: I have a question. Why would we sell the parking?

Ms. Moreno: I'm sorry?

Vice-Mayor Patino: Why would we sell the parking also on this?

Ms. Moreno: When would we sell the parking?

Vice-Mayor Patino: Yes. I mean I thought it was just the building itself. I mean they can always use the parking and we can still retain it.

Ms. Moreno: Right.

Vice-Mayor Patino: But why are we selling the parking also?

Ms. Moreno: That's a very good question, Vice-Mayor Patino. Let me refer to the contract documents, does that include the parking as well?

Mr. Raven: I think it includes the parcel because normally, in a transaction to sell a building, you sell your land and the building goes along with it. That's the normal (inaudible).

Ms. Moreno: And it includes the property as, I mean the parking space ...

Mr. Raven: Yeah.

Ms. Moreno: ... as well?

Mr. Raven: Yeah, but I mean that can be verified if we have a copy of the contract ...

Ms. Moreno: Yeah, I'm looking at it ...

Mr. Raven: I believe ...

Ms. Moreno: ... (inaudible).

Mr. Raven: ... that that is the (inaudible). Yeah.

Ms. Moreno: Right. So if you go to the item here, Vice-Mayor Patino, it's the third page to the last, which will, it provides, it's titled "Depiction of Exhibit A" and it shows you the parcel and how it's been surveyed. And it will show the actual building space and it does include that part ...

Mr. Raven: You actually, ...

Ms. Moreno: ... (inaudible) parking.

Mr. Raven: ... you actually cannot buy a building separately unless it's close to (inaudible). You have to get, the land and building go together.

Ms. Moreno: So it is the parking as well.

Mayor Rojas: Yeah.

Vice-Mayor Patino: Okay.

Mayor Rojas: The people that need to use the library, they gotta park.

Vice-Mayor Patino: Well, I know. I understand that, but I mean we could have always have kept that piece of property.

Mayor Rojas: It would cut the price.

Vice-Mayor Patino: No, I understand that. When we were told, we were just told it was just the building.

Mayor Rojas: Any other questions on ...

Councilman Larribas: I have one. On here where you have \$45,000, ...

Ms. Moreno: Where ...

Councilman Larribas: \$450,000, is that all that, that, is that the whole total or is there something else, you know, other credits, money that that building is worth that we're going to get for this building?

Ms. Moreno: Yes. I'm going to refer to our Finance Director so she can give you the overall breakdown once again so you could kind of understand again what the overall value is as far as what we're getting for the actual property versus what the City is receiving in the overall cost for what we are owed to Pima County for years and years of unpaid jail debt.

Ms. Aguirre: Thank you, City Manager. Mayor and Councilman Larribas, I believe that your question is directed towards what is the actual benefit of this transaction. As you all know, the appraised value on that building space is \$450,000. And that is what will be distributed amongst the annual payments that were due for fiscal year '16 and fiscal year '17 on that old jail debt, which is called the Jail Settlement Agreement. The remainder of that \$237,000 will be applied towards fiscal year 2016 normal expenditures on the jail incarceration fees and animal control. But by way of this transition, there is an additional benefit in that the City of South Tucson will be able to avoid incurring \$806,000 worth of penalties, interest, and old debt, which is included in that settlement. You may recall when I brought those packets to you. That was one of the pieces that was included, the Jail Settlement

Agreement, that stated in the language that failure to make any payments would result in the accrual, once again, of this \$806,000 of penalties, interest, and fees. I believe that's what you're referring to. So the overall benefit of this transaction extends past that \$450,000. It helps the City avoid those extra charges which had accumulated over years of \$800,000.

Councilman Larribas: But my question is, what is the total worth of this?

Mayor Rojas: That was it. The, the ...

Councilman Larribas: (Inaudible)?

Mayor Rojas: ... (inaudible). No, no.

Councilman Lopez: Four-fifty.

Mayor Rojas: Four-fifty.

Ms. Aguirre: \$450,000.

Mayor Rojas: It was assessed at that.

Councilman Green: But I believe what he's asking for it would be somewhere in the, let's see, 1.2 million.

Mayor Rojas: Oh, the total debt ...

Councilman Green: (Inaudible) ...

Mayor Rojas: ... was ...

Councilman Green: ... you know.

Ms. Aguirre: The benefit.

Councilman Green: Yeah, total ...

Ms. Aguirre: The City's ...

Councilman Green: ... benefit will ...

Ms. Aguirre: ... benefit.

Councilman Green: ... be over 1.2, 1.3 million dollars.

Ms. Aguirre: That is correct, Councilman Green.

Councilman Green: Okay. Now, I understand what we're doing here. I understand why we're doing it. But I cannot understand is how did we get there. And that's never been brought up to us.

Mayor Rojas: You mean the whole debt building up ...

Councilman Green: The whole ...

Mayor Rojas: ... this high?

Councilman Green: ... debt. Yes.

Mayor Rojas: And we'll probably never know. That was three administrations ago and I would probably, it was already there when I came.

Councilman Green: Mm hm.

Mayor Rojas: And I guess it was already there when you came.

Councilman Green: Yeah, and ...

Mayor Rojas: So ...

Councilman Green: ... that's what I'm saying is that, you know, I mean I'm sure there's records that indicate, okay, if there was taxes that were being collected, revenue that was being put into the General Fund, how did we avoid, you know, when I say we, as a City, ...

Mayor Rojas: Meaning the payment?

Councilman Green: ... failed to meet, you know, was it because of certain people in positions they were versus what, you know, and then all of a sudden they're no longer here, so the County is like biting at our heels to get this money back? And what's in arrears?

Ms. Moreno: If I may, Councilman Green, I'm just going based on the fact that I was an employee at the time and I wasn't all involved in all that, to be quite honest with you, but I do know that, you know, obviously, the debt, when, because it went unpaid for many, many years. It wasn't until probably the last two Managers that it started to get looked at as something that had to get paid because it was something that was kind of just being put aside. For whatever reason, I don't know. I mean we can all make assumptions here as to why Pima County didn't push the City to pay. I mean clearly, there was never any money. And we still don't have the money. That's the reason why we have to result to selling the property. But I think, nonetheless, this is moving in the right track so we can at least go right by the City and the City's best interest, and get rid of that debt because it works against us no matter what.

Councilman Green: No, and I, and unders- ...

Ms. Moreno: And the more you go, the more deeper you get.

Councilman Green: Understood. But you're saying that we didn't have the money back then. I think we did. We didn't have the lump sum of \$480,000 to pay. But if our obligation to the County was a \$20,000 to \$30,000, it would have been easier to meet that obligation than to start, you know, hanging a fire sale, you know.

Mayor Rojas: Yeah. Agree.

Ms. Moreno: I absolutely, Councilman ...

Councilman Green: Okay. And ...

Ms. Moreno: ... Green. I agree ...

Councilman Green: ... we're, and we're not ...

Ms. Moreno: ... with you.

Councilman Green: ... doing that any more, right?

Mayor Rojas: No.

Ms. Moreno: No.

Councilman Green: Okay.

Ms. Moreno: And we are current today with all the monthly ...

Mayor Rojas: (Inaudible) ...

Ms. Moreno: ... invoices that are due. So we are current on every single monthly payment due to the County for (inaudible) incarceration.

Mayor Rojas: Okay. The ...

Ms. Aguirre: Well, I think that the, the current assessment would be we are in receipt of all the invoices and we manage the payment, make sure that they are paid. That is what you see. We now carry that expenditure on the financial statements that you all receive. And it is a month-to-month issuance of invoices from the County to the City now.

Councilman Green: Okay. And Mr. Mayor, one more question.

Mayor Rojas: Yes.

Councilman Green: Have we gone back and started looking at, and I know, I believe that you were looking at is who's been arrested to see who we can charge?

Ms. Aguirre: Yes, Mayor and Councilman Green, we are in the process of completing one little piece, one final step of that jail data analysis to see how did this happen, where does it come from, what is comprised, what comprises that big expense. So in the coming weeks, we hope to have something finalized here, and that last piece that I'm waiting on is analysis from the Court's side now. It's been a combined effort between the Finance Department, the Police Department, and the Courts. So that's the final step and I think that a lot of the information that will be brought to you will give you a better picture of the history behind that large expense.

Councilman Green: And one more question, I'm sorry. Since the closures of these tobacco place, what do you call, smoke shops, has our bill gone down? Our jail bill.

Ms. Aguirre: Councilman Green, I believe so. But I think that if we're looking at stats or anything like that, that would be a better question for the Police Chief to answer. He's also the one that (inaudible)
...

Councilman Green: No, no, no. I'm talking about ...

Ms. Aguirre: ... the bill.

Councilman Green: ... financial, the financial side. I mean if we were averaging \$30,000 to \$35,000 a month prior to, you know, while they were open, ...

Ms. Aguirre: Oh, absolutely.

Councilman Green: ... what are we, what are we averaging now?

Ms. Aguirre: Absolutely, Councilman Green. Anywhere from \$7,000 to \$12,000. I know that the last month it was about \$12,000, the last month that I received. And there have been some lower months prior to that. But, yes, bills have gotten as high as \$25,000.

Mayor Rojas: Okay.

Vice-Mayor Patino: But if the City is not making (inaudible), the City's not the one that's, that's being arrested, then why are we being accrued all these expenses? Understand what I'm saying?

Ms. Moreno: I'm sorry. Do you mean like those that are being ...

Vice-Mayor Patino: The ones that ...

Ms. Moreno: ... arrested?

Vice-Mayor Patino: ... are being taken to ...

Ms. Moreno: Right.

Vice-Mayor Patino: ... jail.

Ms. Moreno: And that's part of her analysis. So what ...

Mayor Rojas: That's what ...

Ms. Moreno: ... she's doing ...

Mayor Rojas: ... she's going for now.

Ms. Moreno: ... is she's looking at all those different areas to see like what the breakdown of the fees are, and how we can determine as to if we are able to say, you know, these people are not true residents of the City of South Tucson, and what the cost has been associated with the ones that are non-residents versus the first day of fees and things such as that. So the analysis will be all of that data that's being compiled.

Ms. Aguirre: And with regards to, if I may interject, City Manager, Councilman Patino, in regards to who is arrested and for how long is something that I really can't speak to.

Vice-Mayor Patino: No, but I understand that. All I'm saying is just because it happened in the City of South Tucson, why isn't the County giving the bill to the person that's being arrested instead of the City? That way, the City doesn't incur a bill. Is there something that we can look at, as a Council, to change that towards the County?

Mayor Rojas: Well, I think that will be a matter that we can discuss another time. That would not be a matter that we can discuss on this issue. I would like to pass this issue and then get on to, it's a good question and I agree with that.

Ms. Moreno: And if I may, Mayor, Vice-Mayor, that is a very good question. As a matter of fact, that's part of what is driving the overall analysis, so that we can determine, to see if, ...

Mayor Rojas: Yeah.

Ms. Moreno: ... once we bring all the information back to, I would really like to receive direction from Mayor and Council, ultimately, to have more discussions with Pima County on that whole issue in general. So that's the whole point.

Mayor Rojas: Okay, Council, on Resolution No. 16-43, what is your wishes?

Motion by Councilwoman Mendoza to approve and adopt Resolution No. 16-43 of the Mayor and Council. Seconded by Councilman Lopez. Motion passed unanimously.

ITEM #08– RESOLUTION NO. 16-44 OF THE MAYOR AND COUNCIL OF THE CITY OF SOUTH TUCSON, APPROVING THE INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF SOUTH TUCSON ACTING ON BEHALF OF THE SOUTH TUCSON POLICE DEPARTMENT AND THE U.S. DEPARTMENT OF JUSTICE, DRUG ENFORCEMENT ADMINISTRATION FOR ASSIGNMENT OF AN STPD OFFICER TO THE DEA TUCSON TASK FORCE AND DIRECTING AND AUTHORIZING THE STPD POLICE CHIEF TO EXECUTE THE IGA

Ms. Moreno: Thank you, Mayor, members of the Council. The item you have before you is a renewal of an IGA we have between the City of South Tucson and the DEA, the United States Department of Drug Enforcement Administration where the police department has an agreement between themselves and DEA to assign a police officer to undertake responsibilities associated with the Drug Enforcement Agency. And the contract you have before you basically allows that to happen and also provides you a breakdown as to the cost associated with overtime work (inaudible) assigned officer, and this line item and the benefits associated with it. I have both Finance Director and our Police Chief to further get into the details as to the benefits of this agreement. I think that, you know, the City of South Tucson, working with DEA on not only some issues that I've talked to some of the Council separately is a very good benefit for the City of South Tucson.

Mayor Rojas: Questions from the Council on Item #08?

Councilman Green: I have a couple of questions. In the past, I have made reference to this about, excuse me, the cost of the officer on there versus the benefit that the City brings in versus the shortness in manpower on the street. Do you understand where I'm going with this, Chief?

Chief Ford: Yes.

Councilman Green: Okay. So, what's the total cost? What did he bring in? Because I had asked this before. You know, in forfeitures or whatever the case is. And it's pretty much the same. Why don't we have him back on the street?

Chief Ford: Well, Councilman Green, Mr. Mayor, Council, I guess without getting to the numbers what, basically what he helps carry is a lot of our operational costs. Our budget covers the salary so the expenditures that we have (inaudible) and expenditures that we have on the vehicle leases that we have reoccurring monthly, those are the things from the asset forfeitures that we get the assistance from to pay. So, the benefit would be in those assets that then go back to Patrol, so if I were to look at it as kind of cost effectiveness, the one officer who is working in this program helps us facilitate all of the logistics that we use for all the other officers to work.

Councilman Green: Okay.

Chief Ford: So Finance could probably answer more directly how much we get annually on those, on the things that we cover with the, with the asset forfeiture fund.

Councilman Green: And these are through RICO, right? The asset, ...

Chief Ford: These are ...

Councilman Green: ... RICO's, ...

Chief Ford: ... (inaudible).

Councilman Green: ... yeah.

Mayor Rojas: Yeah.

Ms. Aguirre: Mayor and Councilman Green, it covers a lot of the basic operating expenditures and they range from repairs to the vehicles ...

Councilman Green: No, and I understand that. That's what he just said, but what is the cost, where is his, you know, if he brings in \$100,000, and we're paying \$100,000 with overtime and benefits and salary, and ...

Councilman Lopez: So we break even.

Councilman Green: ... we break even, and we have, you know, police department that is, you know, right now, grossly undermanned.

Chief Ford: I think we'd have to have the General Fund capacity to cover those other expenditures. And then if there was funds available to cover the expenditures for the fuel, the maintenance, the cars and the other things that ...

Councilman Green: So ...

Chief Ford: ... the whole department uses, then maybe it's something we could entertain and we could look at a manpower kind of standpoint and we can have an additional person on the road.

Councilwoman Mendoza: Excuse me, Mr. Mayor. Well, I'm reading here and it says that under this agreement, the City of South Tucson is reimbursed only for the salary expense related to overtime work by the assigned officer, so they cover the \$17,753 for his salary. We don't cover that. What we cover is the retirement, FICA, and other expenses, so what are the other expenses? And I think that that, if you answer, well, how much does it cost for his retirement, FICA, and these other expenses, might be, you know, I mean I can see that, obviously, the officer being part of this maybe outweighs all the other, but I mean if we read that there then it would show that his salary was taken care of. It's only the other expenses that we have to take care of.

Ms. Aguirre: Councilwoman Mendoza, yes, you are reading this correct. So, these are just the benefits associated with the overtime. So that \$17,700 is what DEA covers for the overtime salary. So, the City of South Tucson is paid for the regular salary and benefits. And then the overtime that this officer works on operations with DEA, for that, the City gets \$17,700. But the City then has to pay or cover the cost of all the benefits that go along with that, which is just about \$17,000 as well.

Mayor Rojas: Any other ...

Ms. Aguirre: Although, although to Councilman Green's question, in an analysis, who knows, if it were to break even, I think that there's additional factors to also take into consideration. For instance, I don't know, the Chief, the Chief can probably speak more to this, but the assistance that is provided to the City of South Tucson through DEA for having an officer there.

Chief Ford: It actually expands our investigative capacity because we have the ability to have more advanced investigations that lead to the finances, logistics, and all the things that run a criminal

organization. A lot of the things that we see in the general public are part of a distribution network. So we see a house where there's a lot of activity, or we see someone who's on the street and who's doing something, they're part of that distribution arm. And if we were dealing solely with that distribution arm and arresting those people, those are the things that you see on the monthly jail bill, and those people are kind of variables so those people can change but their organization will still exist and we will continue to (inaudible). So the opportunity we get in this is to have those more advanced investigations where we can take out pretty much criminal conspiracies and organizations that do larger harm to City services than just what it costs us from the police department, such as what we experienced with the smoke shops.

Councilman Green: And the last one, the officer that you have now has been on there for how long?

Chief Ford: He's been there since I got here. It's coming up on three years now.

Councilman Green: Oh, no. Brown? Officer Brown? It's going on seven years.

Chief Ford: Well, I can look and I can check.

Councilman Green: I believe he's, he's over three. I know that for a fact.

Ms. Moreno: Yeah, we can, if it (inaudible) I don't want to get too much into (inaudible) ...

Councilman Green: Oh, no, no, no. And ...

Ms. Moreno: ... (inaudible) ...

Councilman Green: ... the reason ...

Ms. Moreno: ... (inaudible) ...

Councilman Green: ... I'm saying that ...

Ms. Moreno: ... (inaudible) ...

Councilman Green: ... is that, is ...

Ms. Moreno: ... but we can ...

Councilman Green: ... this a ...

Ms. Moreno: ... certainly ...

Councilman Green: ... permanent assignment or is it a, ...

(Simultaneous conversation)

Councilman Green: ... or, you know, you rotate officers in there?

Chief Ford: That's a possibility that can happen, but sometimes what happens is they're carrying particular caseloads that their involved in. And sometimes, right in the middle of particular investigations, handing those things off to other people can be complicated. And so, if that's a decision that's made and we want to do that, then we can decide at one point in a cycle and we can almost kind of go through a phase out and then an orientation phase for someone else to go in. So no, it's not a, it's not a permanent career assignment.

Councilman Green: Okay.

Mayor Rojas: Okay. Any, any other discussion on Item #16-44? What are the wishes of the Council, please?

Motion by Councilman Green to pass Resolution No. 16-44. Seconded by Councilwoman Mendoza. Motion passed unanimously.

ITEM #09 – RESOLUTION NO. 16-45 OF THE MAYOR AND COUNCIL OF THE CITY OF SOUTH TUCSON, PIMA COUNTY, ARIZONA, APPROVING THE SOUTH TUCSON HOUSING AUTHORITY'S WRITE-OFF OF UNCOLLECTIBLE DEBTS AND AUTHORIZING THE EXECUTION OF THIS RESOLUTION FOR THE PURPOSE OF AUTHORIZING THE CITY OF SOUTH TUCSON HOUSING AUTHORITY DIRECTOR TO SUBMIT SAME TO HUD AND ITS FEE ACCOUNTANT

Ms. Chico: Good evening, Mr. Mayor and Council, once again, I have to come with you, or come to you with some write-offs. We did follow our write-off policy and rather than have these sitting on our books, and showing a high tenant accounts receivable, we are allowed and encouraged by HUD to write these off. With the exception of one person, these were all elderly people. Unfortunately, we had a couple that have passed away. We also had a couple of midnight moves. And the person that I was trying to help as much as humanly possible because (inaudible) was going up. He had contacted several agencies who had promised to pay. But the agencies didn't come through. And it got to a point where I could not work with him, or this person anymore, and said, "You're either going to have to pay up or move out." And he moved out with a midnight move. So, on my ...

Mayor Rojas: I have a question.

Ms. Chico: Yes, sir.

Mayor Rojas: And I'm, and I don't know exactly who the person is, but you have on this second item down, eighteen thirty-three rent balance. And then it says late charge \$15.00. How could the late charge be so low if, I, I don't know how many months eighteen thirty-three would equal in late, in, in unpaid rent.

Ms. Chico: Mr. Mayor, when they're in a payback agreement with us, we do not charge them a late charge.

Mayor Rojas: Oh, okay.

Ms. Chico: And he had been in it for quite a while. And he would be ill, in the hospital, whatever, would not be able to pay again. And it just kept rising. That's when he was asking for agencies to help. His family wouldn't, couldn't.

Mayor Rojas: Okay. Well, you don't have a fun job. I know exactly what your job is. Sometimes I feel it.

Councilman Larribas: I have a question.

Mayor Rojas: Yes, Councilman Larribas.

Councilman Larribas: When you're referring to midnight move, what does that mean? They're forced out?

(Simultaneous conversation)

Mayor Rojas: They left in the midnight.

Councilman Larribas: Yeah, well, that's what I'm saying. Are they forced out or they just leave?

Ms. Chico: Councilman, I'm going to mess up your name. I'm so sorry. Larribas.

Councilman Larribas: Close enough.

Ms. Chico: Okay. Midnight moves are when they give us no notice and we find out from the residents that, "Hey, there was a U-haul," or, "there was a truck here last night. We saw Joe Blow taking his stuff out." And we have our maintenance supervisor, Robert Moreno, go over and check. Everything is cleaned out. That's a midnight move. They get out from under the debt. Now this is also carried on in our computer system for every public housing authority in the country. So if this person ever needed housing assistance, another public housing, it would be denied until we're paid in full. But in the meantime, what we do is we write it off so it's not reflecting on our (inaudible) ...

Mayor Rojas: On your ...

Ms. Chico: ... accounts ...

Mayor Rojas: ... books.

Ms. Chico: ... receivables, but we have everybody who has ever done this, who has left with a debt, who we have written off, so if they ever come back to us, we check, we know exactly who it is and how much they have to pay us to come back. And we have done that before.

Mayor Rojas: Okay. Wishes of the Council on Item #09, Resolution 16-45, please.

Motion by Councilwoman Mendoza to approve Resolution No. 16-45. Seconded by Councilman Lopez. Motion passed unanimously.

ITEM #10 – REQUEST FOR DIRECTION TO PROCEED WITH FILING FOR WEB DOMAIN

Ms. Moreno: Thank you, Mayor, members of the Council. The next item is Item #10, which is request for direction to proceed with filing for web domain. If you recall, last week Lourdes Aguirre, our Finance Director, presented to Mayor and Council the option for the City to move forward with having the City's web domain be a .gov, which would be in line with most municipalities. So this is a formal request to Mayor and Council, asking for permission to move forward with the City of South Tucson having that type of a web domain. I think it would be a good idea.

Mayor Rojas: And we'll be known nationally.

Ms. Aguirre: Yes.

Mayor Rojas: Do we know what the web address will be? Or we don't know yet?

Ms. Aguirre: So, the standard convention for local governments is typically, City, and then the abbreviated state.

Mayor Rojas: AZ.

Ms. Aguirre: So it would be SouthTucsonAZ.gov.

Mayor Rojas: It doesn't get two .gov? Just one .gov?

Ms. Aguirre: Just one .gov.

Mayor Rojas: Okay. What would you wish? Do we get a web domain?

Motion by Councilman Green to proceed with filing for a web domain. Seconded by Councilman Lopez. Motion passed unanimously.

Ms. Aguirre: Mr. Mayor, if I may also add, I thought it was important to proceed just to reserve the web domain. The cost is minimal, \$125.00 a month, a year, I'm sorry. But this is a good starting point so that when we start moving forward with designing a new website (inaudible) more user friendly.

Mayor Rojas: It will be easier, yeah.

Ms. Aguirre: Yeah, easier to follow and navigate. We have, you know, at least this foundation ready to get going.

Mayor Rojas: Thank you very much, Lourdes.

ITEM #11 – RESOLUTION NO. 16-46 OF THE MAYOR AND COUNCIL OF THE CITY OF SOUTH TUCSON, ARIZONA, APROVING AND ADOPTING THE AGREEMENT BETWEEN THE CITY OF

SOUTH TUCSON AND TRS, AIR CONDITIONING SERVICES FOR REPLACEMENT OF FAN COIL SYSTEM AT THE CITY OF SOUTH TUCSON HOUSING AUTHORITY EL SENIORAL MAINTAINED BY THE SOUTH TUCSON HOUSING AUTHORITY, AUTHORIZING THE MAYOR AND/OR THE CITY MANAGER TO EXECUTE THE AGREEMENT

Ms. Moreno: Item #11, Mayor, members of the Council, is another item from our Housing Authority regarding the contract to replace the fan coil system. The Housing Authority Director has already gone through the bidding process and is going to be asking Mayor and Council to award the contract to CRS Air Conditioning Services. Marilyn.

Ms. Chico: Mr. Mayor, Council members, we went by our procurement policy and we also had, I also had HUD check everything before we had advertised. I wanted to make sure everything was in the bid packet for any contractor that was interested in bidding. We had eight, no we had ten companies that signed out for a bid packet. We had three, and we also had a walk-through with several of the contractors, pre-con meeting where I told them how this is going to take place, how to get paid, everything they needed to do. Normal pre-construction meeting. Robert Moreno took them through the buildings, showed them everything that needed to be done, where, all of the info on his part. We had the bid opening on October 4th at 3 o'clock and we had only three bidders. We had JNA General Construction. Unfortunately, the company did not submit any of the required forms, made this contractor a non-responsive bidder. I sent a letter, a nice letter to him to let him know that he was considered non-responsive and told him what he needed to do in the future, should he decide to bid again, and thanked him for his interest. The letter came back. And I went by the address on his business card.

Mayor Rojas: Where, he works out of his truck. I know those guys.

Ms. Chico: And the second one, and I'm going in order of how they were presented, or from the time that we received it. The second one was G & G Specialty Contractors. They submitted a bid of \$571,390. The third one was TRS Air Conditioning Services and Construction, Inc. who provided a bid of \$439,172, which is a \$132,218 difference. Both of the companies were checked. I checked a Registrar of Contractors. G & G has two good (inaudible) registrations, what are they?

Mayor Rojas: Contractor numbers. License.

Ms. Chico: Contractors. Licenses. Thank you, sir. TRS has four. That takes care of their different type of air conditioning as well as construction. I checked on HUD's debarment as well as the suspension list. Neither are listed. Also checked the (inaudible) site which is one of the areas we also have to check to make sure there's no exclusions for either. They're good all the way. They both have their (inaudible) numbers and they also have their (inaudible) numbers. Checked Better Business Bureau. Absolutely no problems with them. They have no complaints and they are accredited companies. Based on the amount, based on all the background research that I did and searching, TRS, obviously, is who I am recommending, only because of saving \$132,000 means a lot to us for doing the same work. TRS has also had prior contracts with us. They're the ones that replaced our chillers, our boilers during the (inaudible) the President's grant that he gave to all Housing Authorities, hot water boiler, knows our systems inside and out. And I believe that's probably part of why there's \$132,000 difference. One knows the system maybe better than the

other. So, of course, I'm recommending TRS. Should the Mayor and Council approve this, I do have a contract set up. And, of course, we're going to ask for (inaudible) the stopping time, the end date ...

Mayor Rojas: Yeah, end date.

Ms. Chico: ... is March of 2017. It shouldn't go that long. What he's doing is actually protecting, protecting himself. Otherwise, we're going to assess a \$50 a day (inaudible) damages. And, of course, we all know that sooner our contractor can finish a job, the more profit they get. And this was kind of a weird one. I think I told you that they also not only replacing the fan coils (inaudible) asbestos abatement and because we have to move out people. We have four studio apartments we have purposely left vacant. The contractor is going to have to furnish for either 24 or 48 hours. We don't know yet until the asbestos goes in and we start seeing how long it takes. So we're set to house our residents.

Mayor Rojas: Good.

Ms. Chico: And the notice to proceed would also be signed right after the contract. And that actually sets the date and tells them start. Here's your start date, here's your end date, get to work.

Mayor Rojas: Alright. Thanks a lot, Marilyn.

Ms. Chico: You're welcome.

Mayor Rojas: The wishes of the Council on Item #11, please?

Councilman Green: Mr. Mayor, I have to recuse myself from the vote.

Mayor Rojas: Okay.

Councilman Green: I do business and contracts with TRS.

Mayor Rojas: Yeah. Let the record indicate that Councilman Green has recused himself from the voting. Thank you very much, Councilman Green.

Motion by Vice-Mayor Patino to approve and adopt the agreement between the City of South Tucson and TRS Air Conditioning. Seconded by Councilwoman Mendoza. Motion passed unanimously.

ITEM #12 – EXECUTIVE SESSION PURSUANT TO A.R.S. SECTION 38-431.03(A)(3)(4)

Ms. Moreno: The next item on the agenda is asking for Mayor and Council to convene into Executive Session, and this is under the Valenzuela Case and all litigation pertaining to this case. And it's for an update to Mayor and Council.

Motion by Councilwoman Mendoza to close the Regular Meeting and enter in to Executive Session. Seconded by Councilman Lopez. Motion passed unanimously. Regular Meeting closed at 6:42 p.m.

1. Valenzuela Case – All litigation pertaining to Case No. TX2014-0002- Update

Motion by Vice-Mayor Patino to close the Executive Session and reconvene into Regular Meeting. Seconded by Councilwoman Mendoza. Motion passed unanimously. The Regular meeting resumed at 7:15 p.m.

Motion by Councilwoman Mendoza that the Mayor and Council allow the City Manager and City Attorney to move forward with items discussed in Executive Session. Seconded by Councilman Green. Motion passed unanimously.

ITEM #13 - REPORTS

Finance Update

Ms. Moreno: Thank you, Mayor, members of the Council. The last item we have here under Reports is a report from our Finance Director.

Ms. Aguirre: Mayor, members of the Council, I really need to apologize because I had technical difficulties and was unable to print the reports from the system that I wanted to share with you all tonight. The reason why, ...

Mayor Rojas: So we can (inaudible).

Ms. Aguirre: ... the reason why ...

(Simultaneous conversation)

Ms. Aguirre: ... I held off on ...

Ms. Moreno: You're not that sad.

(Simultaneous conversation)

Mayor Rojas: Well, we can table the item if it makes it good.

Ms. Aguirre: Yes, actually once I get them printed, ...

Mayor Rojas: Yeah, let's do that.

Ms. Aguirre: ... I can place them in your boxes ...

Mayor Rojas: Good.

Ms. Aguirre: ... and then we can talk about it at the following meeting. And that way, you will have had enough time to review them and all that.

Mayor Rojas: Thank you. I'll entertain a motion for tabling the item from the Finance Director.

Motion by Councilman Green to table the item. Seconded by Councilman Lopez. Motion passed unanimously.

ITEM #14 - ADJOURNMENT

Motion by Councilwoman Mendoza to adjourn the Regular Meeting. Seconded by Vice-Mayor Patino. Motion passed unanimously. The meeting adjourned at 7:17 p.m.

Mayor

ATTEST:

Veronica Moreno, City Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the City Council of South Tucson, Arizona, held on the 24th day of October, 2016. I further certify the meeting was duly called and a quorum was present.

Dated this _____ day of _____, 2016.

Veronica Moreno, City Clerk